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IDAHO PUBLIC
UTILITIES COMMISSION

Attorney for the Idaho Conservation League

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)	
COMPANY'S APPLICATION FOR)	CASE NO. IPC-E-14-02
APPROVAL OF ITS AGREEMENT)	
WITH ENERNOC, INC., TO)	IDAHO CONSERVATION LEAGUE
IMPLEMENT AND OPERATE A)	
VOLUNTARY COMMERCIAL)	COMMENTS
DEMAND RESPONSE PROGRAM)	

The Idaho Conservation League (ICL) supports the Third Amendment to the contract between EnerNOC and Idaho Power regarding the FlexPeak program. Idaho Power's 2013 Demand Side Management Annual Report shows a benefit to cost ratio of 1.43 for the FlexPeak program.¹ The proposed amendments include a minor reduction in both the size and cost of the program and therefore are likely to maintain this cost-effectiveness. After reviewing the application and discovery in this case, ICL urges the Commission to approve the contract, which enables the continuation of a robust, cost-effective demand response program and thereby is in the public interest.

Demand response programs can benefit ratepayers by deferring or avoiding the cost of both operating existing and building new supply-side resources. Like most things, the devil is in the details. Here the relevant details are the characteristics and the cost of the demand response resource. The characteristics of the program define the size and availability, which combined indicate the ability of the program to defer or avoid supply-side resources. The cost of the

¹ Idaho Power 2013 DSM Annual Report at 97. The Commission may take official notice of this periodic report filed by a regulated utility in case no IPC-E-14-04. IDAPA 31.01.01.263.01.c.

program indicates whether operating demand response is less expensive than supply-side resources. Ratepayers benefit when both the characteristics and the cost of demand response can cost-effectively avoid supply-side resources.

The amended contract between EnerNOC and Idaho Power improves both the characteristics and the costs of the already successful, cost-effective FlexPeak program. In terms of characteristics, the Third Amendment reduces the size of the resource to between 30 – 35 MW of capacity.² This is a minor change from the assumed demand reduction in the cost-effectiveness tests of 40 MW.³ The Third Amendment does make some important changes to other characteristics of the program. First, it changes the available dates to June 15 through August 15 in order to align this program with the Idaho Power's other demand response programs.⁴ ICL supports this change because during the demand response workshops that occurred in case IPC-E-13-14 Idaho Power dispatchers requested clarity on when to dispatch demand response programs. Aligning the available time periods for all three programs increases clarity by reducing the variables a dispatcher must consider. Similarly, the Third Amendment changes the notification timing requirements and methodology between EnerNOC and Idaho Power for dispatching the FlexPeak programs.⁵ Improved notification also assists dispatchers and should lead to increased use of demand response programs. Ratepayers benefit from the use of cost-effective programs.

Another critical change to the program is the creation of a "trigger" limiting the dispatch of the FlexPeak program beyond three mandatory events. As a member of the Energy Efficiency Advisory Group (EEAG) ICL understands the details of this trigger and the motivations for this contract provision. Due to the confidential nature of the details, ICL will not discuss them in

² This is the non-confidential answer to Staff production Request No 2. The precise number is on the first page of Attachment 1 to Idaho Power's Application in this case.

³ See Idaho Power 2013 DSM Annual Report at Supplement 1, p 13.

⁴ Application at 5.

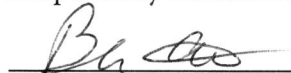
⁵ See Page 2 of Attachment 2 to Idaho Power's Application.

these comments.⁶ ICL supports the trigger for two reasons. First, it provides clarity for dispatchers regarding when to use the demand response programs given the limited hours and days they are available to meet energy demands. Second, the trigger strikes an appropriate balance between constraining and providing flexibility for Idaho Power to dispatch the program. The Third Amendment provides more flexibility than the trigger initially described to the EEAG on February 6, 2014.

The Third Amendment improves the characteristics of the FlexPeak program by maintaining sufficient size and providing clarity to dispatchers, which should facilitate more use of the program. Also, based on Idaho Power's confidential discovery responses the cost in 2014 will be lower than prior years. Increased use of the program at a lower cost serves ratepayers and the public interest. Finally, after reviewing the application and discovery in this case ICL believes the Third Amendment aligns with the demand response stipulation approved by the Commission in IPC-E-13-14. For these reasons ICL urges the Commission to approve the Third Amendment.

DATED this 23 day of April, 2014,

Respectfully submitted,



Benjamin J. Otto
Idaho Conservation League

⁶ Recital 6 on page 2 of Attachment 1 to Idaho Power's Application describes the trigger in detail. Page 2 of Attachment 2 to Idaho Power's Application further describes the implications of this trigger.

CERTIFICATE OF SERVICE

I hereby certify that on this 23rd day of April, 2014, I delivered true and correct copies of the foregoing COMMENTS OF THE IDAHO CONSERVATION LEAGUE to the following persons via the method of service noted:

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